

Sarah

Linda L. Forrey

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Voice Mail:

1-800-757-8255 40046#

July 21, 1997

All Personnel with Eckerd Drugs (0103-xx-xx to include former Thrift, Fays, Kerrs, Treasury Drug Stores) ROU'S 1210, 1310, 1610, 1710 1810, 2110, 2210, 2310, 2610, 2910, 5810, 6610, 6910, Retail Managers and Promotion Coordinators

With the combining of the former Thrift, Fays, Kerrs and Treasury Drug Stores to Eckerd Drugs, (2775 stores) the following are current programs and information for these stores:

There are nine sub levels Regions:

North Texas	0103-01-00	Mid South	0103-06-00
South Texas	0103-02-00	Pittsburgh	0103-07-00
Mid Atlantic	0103-03-00	Philadelphia	0103-08-00
North Florida	0103-04-00	Syracuse	0103-09-00
South Florida	0103-05-00	•	

When new stores are scheduled to open, the Tampa Chain Office will advise the respective ROU's to open stores with the specific Chain Sub Level ID # and Direct Account number. The Tampa Chain office will handle deleting any stores that close.

The below five Direct Accounts will not have a secondary supplier and the stores will receive all cigarettes from their Warehouses, as listed below:

Direct Account	Stores	Direct Account SIS #		
Eckerd Drugs, Orlando	Florida	754615		
Eckerd Drugs, Shenandoah, Ga.	GA, NC, SC	754612		
Eckerd Drugs, Conroe, TX	Texas	754617		
Fays	New York	492773		
Thrift - Pittsburgh	Pa, Ohio, NJ	641880		

(First ship date from Eckerds Warehouse for Ga, NC and SC will be week of 8/11); until that time cigarettes will continue to be delivered from Hackney - Canton and Columbia.

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Cigarettes will no longer be shipped from the Thrift Warehouse in Langhorne, Pa. The stores in Pa. are currently being converted to an Eckerd Drugs store set. Current Thrift Drugs Lines numbers are to be used for ordering cigarettes until the conversion is done. All Pa. stores will be completed by the end of September. All other stores in this Chain have already been converted, and are now utilizing the Eckerd Drug Line numbers.

Outside Direct Accounts	Stores	Direct Account SIS#		
H. T. Hackney, Canton	Tennessee	746970		
H. T. Hackney, Pensacola	Alabama	746972		
Imperial	Louisiana, Ms.	288347		
Atlantic Dominion	Virginia	476400		
L. J.Zucca	Md., Del., WV	722770		
GSC, Sulpher Springs	Ks., Mo., Ok	248340		

The Tampa Chain Office has made the Direct Account changes in SIS.

I will provide shortly a complete authorized brand list and line numbers for all authorized brands in Eckerds Warehouses, as well as outside Suppliers. I will also provide a brand-by-brand carton plan-o-gram for the stores. The Chain has made the decision not to maintain the private label brand Beacon. Stores may continue to order product until it is depleted in the Thrift Drug Warehouse.

RJR does not have a permanent merchandising / presence contract in Eckerd Drugs. Currently, PM, B&W and Lorillard have contracts all stores with the exeption of the former Fays Drugs Stores. Since it is RJR's decision not to have a contract in these stores, they should not be listed as an "RJR Lockout Account."

R/R's: In stores with competitive contracts, updates should be made in the poquet as to the number of competitive displays on location.

We have made a presentation in the former Fays Drugs stores for a merchandising program. I will advise the status as further details are available.

The attached are the details for a special DPC Program (6 display periods) that will begin in all stores, with first ship date the week of August 11. R/R's: please maintain for reference as this information will not be sent in the work request function.

Additional opportunities at store level with this Chain are:

- Gaining distribution on authorized brands
- Ensuring sufficient product availability on all authorized brands
- Implementing the ceiling strategy on Doral against GPC (has a permanent \$2.00 carton/.20 pack buydown), utilizing coupons. This method should be used on periods when we are not shipping in the .30 off a pack Doral tear tape promotion

Note to Retail Managers: Please evaluate opportunities in higher-volume calls based on AIM Industry volume.

As information, there has been some difficulty with obtaining accurate AIM data for the New York stores. This situation should be cleared up shortly.

We look forward to improved RJR Share of Market in this Chain. Please contact me (voice mail 40046) if there are any questions. Thanks for your help.

Sincerely,

Linda

Linda L. Forrey

cc: AVP's

Region Managers

Mario Robleto

Mike Bothe

Mike Sturm

Dave Keeney

Mitch McGovern

Chuck Cundari

Cindy Seltzer

Kevin Barney

Junie Sweeney

Jeff Rumberger

Jim Morris

ECKERD DRUG PACKAGE PROGRAM (0103-xx-xx)

- .30 OFF A PACK (TEAR TAPE FOR SALEM AND DORAL SCANNABLE VPR FOR WINSTON BRANDS)
- SALEM BRANDS: KING, 100, LIGHT KING, LIGHT 100 1 CARTON EACH
- WINSTON BRANDS: KING, 100, LIGHT KING, LIGHT 100 1 CARTON EACH
- DORAL BRANDS: FF 100, LIGHT 100, ULTRA 100, LIGHT MENTHOL 100 1 CARTON EACH
- SHIPPER DISPLAY SENT DIRECTLY TO STORES STORE PERSONNEL TO PLACE ON SHELF BEHIND CASH REGISTER
- HIGH VOLUME STORES ARE TARGETED TO RECEIVE 2 SHIPPERS
- ALL DISPLAY PAYMENTS TO BE MADE AT CHAIN HEADQUARTERS
- ALL PRODUCT WILL SCAN AT .30 LESS CURRENT RETAIL PRICE

PROMOTION	# CARTONS	SHIP DATE(WEEK OF)
SALEM	4	8/11 - 15
WINSTON	4	8/25 - 29
DORAL	4	9/29 - 10/3
SALEM **	4	10/27 - 31
WINSTON **	4	10/27 - 31
DORAL	4	11/24 - 28

^{**}TWO RJR PROMOTIONS SHIPPED THIS WEEK

ECKERD CORPORATION

SALEM 30¢ TEAR TAPE PRODUCT

Case Size 6m(30ctns)	UPC Promotional Pack	Carton	Case	Carton Price	Case Price
Salem King	12300-12039	12300-12013	12300-12012	\$12.39	\$371.70
Salem 100	12300-12239	12300-12213	12300-12212	\$12.39	\$371.70
Salem Light King	12300-12439	12300-12413	12300-12412	\$12.39	\$371.70
Salem Light 100	12300-12539	12300-12513	12300-12512	\$12.39	\$371.70

- Ship to Direct Accounts July 30, 1997
- Ship to Retail Stores week of August 11 15
- Product shipped in at regular price
- Linda Forrey to make payment to ECKERD CORPORATION
 \$3.00 per carton for price reduction
- Linda Forrey to make payment to ECKERD CORPORATION \$3.00 Per participating stores for display payment
- Linda Forrey/R. J. Reynolds Managers to muke payment to ECKERD CORPORATION (and DIRECT ACCOUNTS) \$9.00 per 12M Case for Packing / Shipping Promotion
- ECKERD CORPORATION to reduce Salem promotional product shipped to STORES BY .30 PER PACK (through scanning system)